

HB 439 -- MISSOURI ENERGY FREEDOM ACT

SPONSOR: Kidd

This bill enacts the "Missouri Energy Freedom Act." Accordingly, renewable energy facility owners and contract customers may create renewable energy contracts for the direct sale of electricity. Electricity delivered pursuant to a renewable energy contract shall not be included in a net metering program. A retail electric supplier shall not be held responsible for a customer's default, and the right to any environmental amenity associated with a renewable energy facility shall remain the property of the facility's owner unless otherwise provided by a renewable energy contract.

The bill also provides the Public Service Commission with rule making authority. Retail electric suppliers shall file for approval of a tariff for providing electrical services herein from the commission within 60 days of publication of the rules and regulations necessary to effectuate the act. The tariff shall also include cost-based administrative service, cost-based distribution service, cost-based transmission service, cost-based monthly generation capacity service, and cost-based energy services for any kilowatt hours contracted for, but not actually, delivered. An alternative tariff may be approved if certain criteria are met.

The bill additionally provides that a retail electric supplier shall file a report with the commission when the total rated generating capacity contracted for exceeds 3% of a retail electric supplier's single hour peak load. The commission may then restructure tariffs so as to prevent cost shifting from contract customers to nonparticipating customers.

An owner of a renewable energy facility shall not be considered a public utility because of the services provided under a renewable energy contract, and the act does not prohibit the direct sale of electricity from a renewable energy facility to a contract customer as long as the power is supplied by a facility located wholly on the customer's premises. Under such a direct sale, retail electric suppliers are not entitled to recover any costs associated with energy delivery under a renewable energy contract or excess energy being provided to the grid resulting from a renewable energy contract.